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3 November 1981

MEMORANDUM FOR: Chairman, National Intelligence Council

FROM : NIO/USSR-EE

SUBJECT : Anticipatory/Speculative Papers

1. I endorse the idea of anticipatory papers prepared by the NIC or as Interagency Intelligence Memoranda. I believe it would be a mistake, however, to heap the NIC plate with three or four or five of these from each NIO and to put them into some sort of formal listing. The only way papers such as these will get done is by doing them one at a time and spaced over a period of time. The danger with a large list that gets any circulation at all is that it takes on the character of a major production program which, to eyes outside of NIC, combined with the NIC's own special project program and the program of estimates and SNIEs that have already been formalized, is that the NIC's reach will appear to have exceeded its grasp. Moreover, it will suggest to the rest of the Community that we are shifting the basic focus of work by the NIC to a much more speculative genre in which, in many cases, we will be asking the Community to sign up--and my guess is their enthusiasm will be very limited. In short, I see this exercise in preparing lists for you to be a private, internal NIC undertaking to give you an idea of what is possible. You can use these lists in working with the NIOs to get them started on one or another sooner rather than later. But I urge you not to consolidate these lists, circulate them or make very much out of them. For this NIC, it is still an experimental art form, and let's try a few before we make much out of the idea. Per my memo to you of last week, papers of this kind should not be so foreign to the Intelligence Community; nevertheless they are and we had best proceed with some care to avoid overloading the circuits.

2. That said, [ ] I have come up with the following proposals, 25X1  
any one of which we could, of course, flesh out into some sort of an outline:

- The Soviet/Libyan Connection: Until recently, the Soviets have been fairly leery of the Libyans and of Qadhafi in particular. However, in the last year or two the Soviets have shipped Libya an enormous quantity of arms and Qadhafi has pursued foreign policies that serve Soviet interests. In particular, his activities in Chad, against the Sudan, and with Ethiopia and Yemen suggest an effort to surround Egypt and to bring down its anti-Libyan, anti-Soviet government. Libyan money is turning up in the hands of terrorist organizations and various groups in widely scattered

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arenas, often in circumstances that, again, at least parallel Soviet interests. Finally, from the Soviet standpoint, Libya is attractive because, rare among Moscow's clients, it can pay its bills. It also can finance organizations of interest to the Soviet Union, thereby relieving the Soviets of the necessity to produce the cash. The addition of the Libyans to the Cubans, Vietnamese, and others as Soviet surrogates/proxies would signal a major new disruptive force in the Middle East and less caution on the Soviets' part than they have demonstrated heretofore. This paper would explore the implications of both.

- Soviet Policy Toward a Marxist/Leninist Central America: The prospect from this vantagepoint is that the Administration's policies aimed at curbing Nicaraguan and Cuban export of revolution in Central America likely will not be successful. The prospect then is for the eventual victory of the insurgents in El Salvador and during this decade further success in Honduras, Guatemala and possibly Costa Rica. The ending of Cuba's isolation in the Western Hemisphere and the existence of a substantial bloc of radical states whose policies serve Soviet interests--a bloc that could also include Panama, with obvious strategic implications--would have profound implications both for the Soviet Union and for the United States, as well as their relations with one another. A speculative paper on these developments would explore these implications and how the Soviet Union might seek to exploit such developments.
- The Soviets and the Disintegration of Iran: Charlie Waterman listed this subject as one part of a paper that he might do. I think it is too important a subject to subordinate. The disintegration of Iran at this point has marginal importance to the United States except with respect to the Soviet reaction and how the Soviet Union might seek to exploit such a disintegration. It is only in the event of some Soviet military action, for example, that the United States anticipates employment of the RDF in Iran. Thus there might be some value in a speculative paper on the options open to the Soviets and possible scenarios should the Khomeini regime in Tehran completely lose control of the country.
- Increased Military Role in Soviet Domestic Politics: Current analysis holds that military considerations dominate the Soviet policy process but that military men do not. The question is whether such a high priority on military requirements will eventually result in a greater role for the military in running the country. In his Kommunist article Ogarkov has suggested the need for regional GKOs, implying a military role in regional political and economic affairs. Even more importantly, a Western observer (Tatu) has predicted that the Soviet army may end up the arbiter in the Soviet succession, with implications for its role in Soviet politics. We might look at the probability of these developments and some of their implications; i.e., what would

Soviet military rule mean for (1) domestic politics, the economy, the nationalities, for (2) Eastern Europe, for (3) the strategic competition with the U.S. A big question mark in this entire scenario is the extent of factionalism in the military, particularly Army-Navy relations.

- Disintegration in Yugoslavia: Although the transition from Tito to collective leadership went fairly smoothly, persistent regionalism (e.g., Kosovo) exacerbated by economic difficulties place into question the long-range viability of collective leadership. Such leadership might also not be able to continue upholding a unified foreign and military policy, particularly when MOD Ljubovic is forced to retire. If such disunity arises, it opens up possibility for Soviet inroads and for increased conflicts with neighboring states (e.g., with Bulgaria over Macedonia).
- Implications of Diminished Soviet Control over Eastern Europe: Romania's maverick behavior, Hungary's economic reform and the continued intractability of the Polish problem all suggest decreased Soviet influence over events in those countries. How will the Soviet Union adjust to these developments? Will it try to regain its lost authority or will it accommodate to developments? What are the implications of either course for domestic politics in the Central European countries. How will their relations with Western Europe evolve and what will be the effect of this evolution on West European ties with the U.S. and on NATO?

3. A final thought. If you anticipate doing any of these kinds of speculative papers as coordinated IIMs or SNIes, I believe it would be useful for you to ask the Director to foreshadow the occasional use of this new art form in his breakfasts with Weinberger and Haig and thereby to gain their endorsement of the process. This could prove invaluable in trying to bring the NFIB along on the value of doing these papers now and then.



Robert M. Gates

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